

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:

Chapter 11

Sears Holdings Corporation, et al.,

Case No. 18-23538-rdd
(Jointly Administered)

Debtors.
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**ECOLAB INC.'S LIMITED OBJECTION AND RESERVATION OF RIGHTS TO
DEBTORS' NOTICE OF CURE COSTS AND POTENTIAL ASSUMPTION AND
ASSIGNMENT OF EXECUTORY CONTRACTS**

Ecolab Inc. ("Ecolab") by its undersigned attorneys, hereby submits this limited objection and reservation of rights to the Debtors' Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction (Docket no. 1731, the "Cure Notice"),¹ as follows:

1. Ecolab is the global leader in cleaning, sanitizing, food safety and infection prevention products and services. Ecolab delivers comprehensive programs and services to foodservice, food and beverage processing, healthcare, and hospitality markets in more than 160 countries.
2. Through its Institutional division, Ecolab is a party to a Master Purchase Agreement with several of the Debtors dated as of November 30, 2011 (as amended from time to time, the "Ecolab Agreement"), under which Ecolab has and continues to provide certain cleaning products to the Debtors.²

¹ Capitalized terms not otherwise defined herein shall have the meanings given in the Cure Notice.

² A copy of the Ecolab Agreement is not attached due to confidentiality concerns and because the Debtors are believed already to have copies. Should the need arise, Ecolab can produce the documents upon request subject to appropriate protections.

3. The Cure Notice lists only the second amendment to the Ecolab Agreement, with a cure amount of \$127,593. Ecolab disagrees with and objects to the listed cure amount. Ecolab believes the proper pre-petition cure amount under the Ecolab Agreement is not less than \$147,211.04. A preliminary statement of account listing the applicable invoices and charges is attached hereto as **Exhibit A**.³ However, the cure amount that the Debtors or the Buyer must pay also includes any unpaid post-petition amounts at the time of assumption.

4. To be clear, Ecolab is willing to consent to the assumption and the assignment of the Ecolab Agreement so long as appropriate cure amount applies, and the Debtors and the Buyer otherwise comply with the requirements of the Bankruptcy Code. Ecolab also stands ready to work with the Debtors or the Buyer to reconcile the discrepancy in the listed cure amount.

5. Ecolab also reserves its rights on the issue of adequate assurance of future performance with respect to the Buyer. No adequate assurance has been provided to date.

6. Finally, in the event that the Ecolab Agreement is rejected, Ecolab reserves all rights to file appropriate claims, including administrative claims, rejection damages claims and other claims that might arise.

³ Ecolab is continuing to review its records and reserves the right to further modify or update this cure figure based upon its ongoing review as circumstances warrant. In addition, Ecolab believes the foregoing amount includes not less than \$32,982.20 that Ecolab asserts will be entitled to priority under 11 U.S.C. § 503(b)(9) even if the Ecolab Agreement is not assumed, and all rights to such claims are reserved.

WHEREFORE, Ecolab requests that the pre-petition cure amount for the Ecolab Agreement be modified as set forth above, and that the Court grant such other and further relief as appropriate.

Dated: January 25, 2019

/s/ Melissa A. Pena

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